



September 17, 2019

Item No. 11

APPROVAL OF THE ASSIGNMENT OF THE GROUND LEASE OF THE ARCHER COURTS SITE TO RAHF IV ARCHER COURTS, LLC

Address: 2220-22 and 2240-42 S. Princeton
Alderman: Byron Sigcho-Lopez Ward: 25
Presenter: Ann McKenzie, Chief Development Officer

Recommendation

It is recommended that the Board of Commissioners (BOC) of the Chicago Housing Authority (CHA) approve the Chief Executive Officer (CEO) or his designee to: 1) Approve the assignment of the ground lease underlying the subject land; 2) Accept repayment of the seller's note loan(s); and 3) Execute and deliver of such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

The requested action complies in all material respects with all applicable federal, state and local laws, and CHA board policies. Staff have completed all necessary due diligence to support the submission of this initiative.

Funding

No funding is required. The assignment will result in the repayment of the CHA seller's note(s) of \$650,000 plus interest, netting approximately \$1,400,000 to CHA.

Archer Courts Apartments Property Profile and Plans

- The Property was leased to Community Housing Partners V L.P. in 1999. The property contains a total of 146 units which are subsidized under a long-term project-based rental assistance contract with HUD.
- Community Housing Partners V L.P. has entered into an agreement to sell the property to RAHF IV Archer Courts, LLC, which is controlled by Jonathon Rose Companies, an affordable developer based in New York City, New York.
- The buyer intends to assume the contract, stabilize the property, substantially rehabilitate the property and maintain affordability for at least another 20 years.

Respectfully Submitted:

Ann McKenzie
Chief Development Officer

RESOLUTION NO. 2019-CHA-

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated September 17, 2019 entitled "Approval of the Assignment of the ground lease of the Archer Courts site to RAHF IV Archer Courts, LLC."

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY:

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to: 1) Approve the assignment of the ground lease underlying the subject land; 2) Accept repayment of the seller's note loan(s); and 3) Execute and deliver of such other documents and perform such actions as may be necessary or appropriate to implement the foregoing.

James L. Bebley
Acting Chief Executive Officer
Chicago Housing Authority